



U.S. Department
of Transportation
**Research and
Special Programs
Administration**

400 Seventh St., S.W.
Washington, D.C. 20590

FEB - 5 2001

Mr. Leonard R. Caric
President
McKnight Cylinder
R.R. #1 Box 338
Ruffs Dale, PA 15679

Ref. No. 00-0300

Dear Mr. Caric:

This is in response to your October 6, 2000 letter concerning your plans to fill cylinders using propane that is evacuated from cylinders delivered to your facility for requalification. You state that when cylinders are filled for customers, the propane is drawn from a bulk storage tank, containing the reclaimed propane, as well as propane delivered from dealers. You ask whether your process for determining whether the reclaimed propane is free from corroding components before being piped into the bulk storage tank is acceptable under the Hazardous Materials Regulations (HMR; 49 CFR Parts 171-180).

Based on the information provided on your evacuation system and proposed test procedures, it is our opinion that your reclamation process would satisfy the requirements for ensuring that the propane is "free from corroding components," as specified in certain sections of the HMR, such as in § 173.34 (e)(13).

I hope this information is helpful. Should you have further questions, please contact us.

Sincerely,

Hattie L. Mitchell, Chief
Regulatory Review and Reinvention
Office of Hazardous Materials Standards



000300

Leonard R. Caric
PRESIDENT



EMAIL
l.caric@worldnet.att.net

October 6, 2000

Ms. Hattie Mitchell, Chief
Regulation Review and Reinvention
U.S. Department of Transportation
Research and Special Programs Administration
DHM-12
Room 8436, Nassif Building
400 Seventh Avenue S.W.
Washington, DC 20590-0001

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173.34(e) 13
Cylinders
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Dear Ms. Mitchell:

The purpose of this letter is to request acceptance from the U.S. Department of Transportation (US DOT) of our procedures for the filling of 20# propane cylinders, commonly used for gas grills. I will describe our process, the recent installation of a propane reclaim station and our plans to be compliant in filling cylinders.

McKnight Cylinder (McKnight) reconditions low-pressure series 4 cylinders for various customers within our geographic area. McKnight's facility includes two distinct processes, the 20# line which performs reconditioning of 20# cylinders for the gas grill industry and the hydrostatic line which performs reconditioning for cylinders sized from 33# motor fuel cylinders to 420# or 100 gallon cylinders under McKnight's license to test from the US DOT. The issue at hand deals with the 20# line where we perform visual inspections under the rules of the US DOT. Cylinders that have passed their eligibility date are visually inspected and if they pass, the cylinders are stamped with the date and the letter "E" to extend the life of the cylinder an additional 5 years. A portion of the cylinders McKnight processes is filled with propane at McKnight's facility including some cylinders that have been visually inspected and stamped. In order to safely begin to process cylinders, McKnight must first evacuate residual gas from some cylinders sent to McKnight's facility.

McKnight installed a system in July 2000 that evacuates the cylinders of excess propane by lowering the pressure in the receiving tank to a pressure lower than the state of the propane in the cylinders we receive. Once the propane is evacuated into a receiving tank, it is pumped through permanent piping back to our bulk storage tank. When McKnight fills cylinders for certain customers, we draw propane from the bulk storage tank, which includes the reclaimed propane, as well as propane delivered from propane dealers.

Sandra Webb, Cylinder Program manager of the US DOT, visited McKnight's plant on August 1, 2000. She had reviewed the recertification process and the recently installed propane reclaim station. Ms. Webb had a concern regarding CFR 173.34 (e) 13, which permits a "...complete external visual inspection..." of a cylinder ("E" test). This test is good for an additional 5 year. In addition, this section references a table that requires that once the cylinder is given a visual inspection, the cylinder must be filled with product that is "...free from corroding components." Ms. Webb's concern was that when we reclaim propane from cylinders that are delivered to our plant for reconditioning, that propane could contain corrosion components. Our plan is to fill cylinders with this reclaimed propane including cylinders that are externally inspected. In speaking with Ms. Webb, the corrosion component that is of concern is water. We feel it is physically impossible for water to enter the evacuation system due to the following reasons:

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PHONE 724.722.1011

Ruffs Dale, PA 15679

FAX 724.722.1015

PROPANE
EXCEPTIONAL ENERGY

MEMBER OF:
NPGA Cylinder Exchange Council
NPGA Market Development Committee

October 6, 2000

Ms. Hattie Mitchell, Chief
U.S. Department of Transportation
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- The evacuation system is under higher pressure than atmospheric pressure
- The cylinders evacuated have valves and propane in them, so it is unlikely that water can be in that propane
- Cylinders that are inspected arrive with valves in them so that it is unlikely that water could have collected in the cylinder

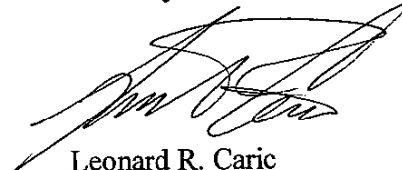
This said, I want to ensure that McKnight is certain beyond a reasonable doubt, that the propane reclaimed and used to fill "E" inspected cylinders contains no corroding components. In researching this issues with the National Propane Gas Association (NPGA) and other experts in the propane and gas industry, we have come up with a widely used test to test for wet propane. This test is done with the installation of a freeze valve. Freeze valves are commonly used at US refineries, underground storage facilities and pipeline terminals nationwide. The freeze valve is the accepted standard by which water content is measured in the propane industry as recommended by the NPGA. Please see the attached pages of the NPGA pamphlet #T15 that describes the freeze valve test.

McKnight will install a freeze valve on the system and will document daily the results of the freeze valve test. If the propane fails the freeze valve test as outlined by the NPGA, McKnight will cease filling cylinders until the propane is clear of water by use of methanol treatment and the freeze valve test is repeated and passed. The documentation will be kept as record at McKnight's facility.

McKnight considers this plan as assurance that McKnight is not introducing propane containing more that allowable water content into cylinders processed at McKnight's facility including "E" tested cylinders. If you agree with this procedure and its safeguards, Ms. Mitchell, please correspond that agreement to me. If you have any questions or concerns, please contact me.

Thank you for your attention to this matter.

Sincerely for McKnight Cylinder,



Leonard R. Caric
President

Encl.

Cc: Ms Sandra Webb. U.S. Department of Transportation, Cylinder Program
Mr. Jim Lahey, AmeriGas